

PUBLIC HEARING TO RECEIVE PUBLIC TESTIMONY AND
COMMENTS

IN RE: PROPOSED 2021 GOLDEN RULE, WELLMARK, INC.,
and WELLMARK HEALTH PLAN OF IOWA
HEALTH INSURANCE RATE INCREASE

IOWA INSURANCE COMMISSIONER DOUG OMMEN, Presiding

Also Present: SONYA SELLMEYER
Consumer Advocacy Officer

Saturday, August 22, 2020
9 a.m.

Iowa Insurance Division
Helmick Conference Room
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P R O C E E D I N G S

COMMISSIONER OMMEN: Good morning. I'm Commissioner Doug Ommen and we are here today on a--rate proposals that have been filed. The matters that are filed and are before me involve filings by several insurance companies that are doing business.

Just as a general comment about the proceedings today, we will first--I will first be hearing from Consumer Advocate Sonya Sellmeyer and then receiving remarks from the insurance company.

Rate proposals that are before me have been reviewed by my actuarial staff and then under the law I seek--request and seek and obtain an independent actuarial review by outside actuaries.

The plans that are before me today are plans that existed prior to the implementation of the Affordable Care Act. They are all three closed blocks because of that, as Federal law does not allow the insurance companies to attract new individuals into these insurance pools. So that is one of the concerns that I have and it continues to impact these rates.

So with that what we will do is I will move through each of these rate filings one at a time and I'll again hear information that has been received.

1 I thank you for those of you that have joined in
2 person this morning and also for those that may be
3 joining via telecommunication.

4 So let's first begin with the Golden Rule
5 Insurance Company filing. And with that I will call
6 the matter of Golden Rule Insurance. And as a public
7 hearing, again, this is open to the public but I do
8 like to begin with some comments from our Consumer
9 Advocacy Officer.

10 So with that, Ms. Sellmeyer, if you could
11 please provide to me some of the information that
12 you've been able to gather.

13 MS. SELLMEYER: Yes. Thank you,
14 Commissioner.

15 Good morning. Iowa Code 505.19 sets forth
16 procedures for health insurance rate increases
17 exceeding the average annual health spending growth
18 rate published by the Centers of Medical--Medicare
19 and Medicaid Services, otherwise known as CMS.

20 The procedures include a requirement that
21 the Consumer Advocate solicit public comments on the
22 proposed rate increase, provide comments received by
23 the public on the internet, and to present the public
24 testimony and comments received to the Commissioner
25 of Insurance for consideration before a decision is

1 made on the proposed rate increase.

2 The first company we're going to look at
3 this morning is Golden Rule Insurance Company. The
4 Iowa Insurance Division was notified on June 12th,
5 2020, that Golden Rule Insurance Company was seeking
6 a proposed average rate increase of 19 percent. The
7 19 percent increase applies to all Generations 1
8 through 22 and 25 through 27 policies starting
9 January 1, 2021, Generation 23 on June 15th, 2021,
10 and Generation 24 on June 1st, 2021, or as soon
11 thereafter as approval permits.

12 All of the plans affected are either
13 grandfathered plans or transitional business plans
14 for a total of 2,322 covered lives. As the amount
15 proposed exceeded the most current average annual
16 health spending rate increase of 5.7 percent, the
17 Consumer Advocate solicited comments regarding the
18 proposed increase.

19 As a regular part of the rate review
20 process, the proposed rate increase is actuarially
21 reviewed twice, once by the Iowa Insurance Division's
22 actuarial staff and once again by an independent
23 third-party reviewer. The results of these two
24 reviews have been included in a summary document
25 which is available on our website.

1 The actuarials found the following:

2 Past loss ratios for this block have
3 averaged nearly 78 percent over the last seven years;

4 In the absence of the rate increase for
5 calendar year 2021, the Iowa Insurance Division
6 projects loss ratios in the range of 85 to 90 percent
7 or more, depending on the assumptions and length of
8 the experience period utilized;

9 Iowa Insurance Division trend models justify
10 a trend rate increase of 8 to 10 percent based upon a
11 review of the per member per month claims and
12 adjusted loss ratios.

13 The Consumer Advocate has received five
14 comments and concerns directly from policyholders or
15 members of the public. Like most of those who are
16 subject to proposed rate increases, the comments
17 focused on affordability and specifically the
18 economic challenges due to the pandemic.

19 Due to the length of time Golden Rule has
20 offered individual policies, many of these
21 policyholders have seen steady increases from their
22 Golden Rule plans over the years. These affected
23 Golden Rule pools have been receiving rate increases
24 every year to every other year which has led to some
25 premiums ballooning from their original rates and an

1 overall rate increase fatigue.

2 One policyholder commented "Golden Rule is
3 asking for a massive 19 percent rate increase at a
4 time of near record unemployment in this nation and
5 the lowest commodity prices in years for farmers like
6 me. Last year United Healthcare had profits of 13.8
7 billion a year, a year increase of 16.5 percent.
8 They have been allowed large rate increases every
9 year in recent history. This is just unacceptable.
10 My deductible is so high I am paying for my own day-
11 to-day health care anyway."

12 Another commented "I am writing to voice my
13 objection to the request by Golden Rule Insurance for
14 a 19 percent increase in the base premium rates for
15 2021. Our premium costs have continued to skyrocket
16 without any increase in service, despite our ever
17 filing"--"even filing claims against the insurance.

18 "Last year our cost increased a dollar a
19 day. This increase they are requesting now would
20 again hike our premium cost over \$100 per month.
21 That's nearly \$4 per day in a year where, as a couple
22 who are self-employed in a business that was affected
23 by the COVID situation. We cannot afford this type
24 of insurance.

25 "They have continually increased our premium

1 with notification conveniently received after the end
2 of open enrollment so we are locked into whatever
3 they deem. A \$4 per day increase is simply too much
4 to understand"--"too much to withstand. Too much.
5 Too much. No."

6 These plans were marketed to individuals who
7 did not have individual policies from the years 1990
8 to 2013. Many are small business owners and farmers
9 whom often had no choice but to purchase coverage
10 privately as they do not have employers to provide
11 their coverage and their operations may be too small
12 to include employees which would allow for the
13 purchase of a small group plan.

14 Thus, small business owners are left with
15 the choice of finding a way to pay for the increased
16 rates, which may mean taking up additional
17 employment, leaving their small business, or dropping
18 coverage altogether.

19 In summary, the actuarial summaries show
20 past loss ratios for this block have averaged nearly
21 78 percent over the last seven years. Without the
22 rate increase, Golden Rule is facing a possible
23 higher medical loss ratio of 85 to 90 percent. But
24 please note that the Iowa Insurance Division trend
25 models justify a trend of 8 to 10 percent based upon

1 review of their per member per month claims.

2 All comments received and posted as of
3 August 21st have been included in this testimony
4 report as required by Iowa law and provided to the
5 Commissioner. However, comments may continue to be
6 received until the Commissioner makes a final
7 decision on the proposed rate increase. Any
8 additional comments received prior to the
9 Commissioner's decision, but after the presentation
10 of testimony, will be recorded on the public rate
11 hearing website.

12 Thank you, Commissioner.

13 COMMISSIONER OMMEN: Thank you,
14 Ms. Sellmeyer.

15 At this time I'd like to hear comments from
16 Golden Rule and it's my understanding that there is a
17 representative on the phone today?

18 MR. RULLESTAD: Is that Carol?

19 MS. SELLMEYER: Yes.

20 MR. RULLESTAD: Would you like me to try to
21 bring her to the floor?

22 MS. SELLMEYER: Please.

23 MR. RULLESTAD: I've made her a panelist but
24 I don't know that she's active on her end.

25 COMMISSIONER OMMEN: Are there any other

1 public comments from people who have signed in
2 because we can move to that and then come back to
3 Carol?

4 MR. RULLESTAD: I'm not seeing any.

5 MS. SELLMEYER: I don't see any other hands
6 raised with regards to Golden Rule. There is one
7 other person but I'm not sure which company he is with.

8 COMMISSIONER OMMEN: I would like to hear
9 from Carol.

10 MR. RULLESTAD: I think it is similar to
11 when the--we had to unmute the screen up here so that
12 I would then have the microphone to turn on. I don't
13 know if Carol's mic is active at her end.

14 MS. SELLMEYER: Carol, if you can hear us,
15 if you want to unmute your mic.

16 MR. RULLESTAD: She is showing as a
17 panelist.

18 MS. SELLMEYER: We can go back, if that's
19 okay.

20 MS. CAROL TROCINSKI: Good morning. This is
21 Carol. Can you hear me now?

22 MS. SELLMEYER: Yes.

23 COMMISSIONER OMMEN: Yes, Carol.

24 MS. CAROL TROCINSKI: Sorry about that.
25 That technology, I was about ready to call in with

1 the other number.

2 Thank you, Commissioner, for allowing me to
3 provide a few comments in regard to this proposed
4 rate increase.

5 Again, my name is Carol Trocinski. I'm a
6 director of regulatory affairs for United Healthcare
7 in the State of Iowa. I appreciate the opportunity
8 to speak, listen to comments, and represent Golden
9 Rule Insurance Company, a United Healthcare company
10 in the state.

11 As you're aware, Golden Rule Insurance
12 Company filed a request for a rate adjustment of 19
13 percent for the proposed effective date of January
14 1st, 2021. The rate increase is projected to affect
15 approximately 2,300 customers in the state of Iowa.

16 The requested rate adjustment of 19 percent
17 has been since modified to 15 percent. The 15
18 percent we're requesting is to cover the current
19 health care costs, expenses for the members, shift
20 the increase in cost of medical services, and the
21 increased utilization.

22 We continue to look for ways to limit health
23 and cost increases and be able to provide affordable
24 health care in the State of Iowa. We're hopeful that
25 the Iowa Division of Insurance will approve our rate

1 increase as it's based on sound actuarial principles
2 and methods and a direct representation for expected
3 medical costs for this book of business. Doing so
4 will help ensure the 2,300 Iowans impacted by the
5 request continue to have quality of care.

6 That would end my comments. Thank you for
7 allowing me to take this time to present these.

8 COMMISSIONER OMMEN: Carol, this is the
9 Commissioner. Can you hear me?

10 MS. CAROL TROCINSKI: Yes, I can.

11 COMMISSIONER OMMEN: I do have a question on
12 what you just said, about your dropping your request
13 from 19 to 15.

14 MS. CAROL TROCINSKI: Uh-huh.

15 COMMISSIONER OMMEN: What will the--what is
16 the--what would we project to be the loss ratio with
17 that drop?

18 MS. CAROL TROCINSKI: Can I get back to you
19 and provide written comments on that? I will have to
20 follow up with our actuarial. They had just informed
21 me that they were working with the actuaries in Iowa
22 and the Division. It was requested to lower the
23 request to 15 percent. So I will have to get back to
24 you on that.

25 COMMISSIONER OMMEN: And I do have all of

1 those materials in front of me; that is, I don't have
2 all the materials of follow-up discussions, but when
3 I looked at the loss ratios, I thought that there
4 should be more movement in that proposed 19 percent
5 rate. I thought that was too high.

6 MS. CAROL TROCINSKI: Okay.

7 COMMISSIONER OMMEN: It sounds like there
8 has been additional discussion about that.

9 What do you normally target for your medical
10 loss ratio? Again, I know this is a small block but
11 what do you normally target in these plans?

12 MS. CAROL TROCINSKI: Again, I'm going to
13 have to follow back up with you. The actuary will
14 have to provide me some additional details. So let
15 me get back to you in written comments. I apologize
16 I do not have that information.

17 COMMISSIONER OMMEN: All right, Carol, I
18 will leave the record open. That initial rate
19 increase did seem to me to be high and I do
20 appreciate you appearing today and, yes, I would like
21 additional information on that loss ratio and what a
22 15 percent request would produce. So...

23 MS. CAROL TROCINSKI: For a loss ratio, yes,
24 I will get that. So I will provide you with the
25 expected loss ratio and what the normal target of a

1 loss ratio will be provided on both of these. So...

2 COMMISSIONER OMMEN: All right. Thank you,
3 Carol. And as I've mentioned, I will keep the record
4 open. I think by law it is open, Sonya, for how much
5 longer?

6 MS. SELLMEYER: Until you render a decision.

7 COMMISSIONER OMMEN: Okay. All right.
8 Carol, when do you think I could expect to see that
9 additional information?

10 MS. CAROL TROCINSKI: I will make sure
11 that's provided to you by Monday the 24th.

12 COMMISSIONER OMMEN: That will be fine.
13 Thank you, Carol.

14 MS. CAROL TROCINSKI: Thank you.

15 COMMISSIONER OMMEN: All right. Any further
16 public comments with regards to the request by Golden
17 Rule?

18 MS. SELLMEYER: If you're online you can use
19 the chat or Q & A function or raise your hand at the
20 bottom if you need to make a public comment. If
21 you're on the phone, you can hit star 3 to make a
22 comment at this time if you have any comments
23 regarding Golden Rule.

24 COMMISSIONER OMMEN: Any indication of
25 further comments?

1 MS. SELLMEYER: No. We can always go back
2 if we need to.

3 COMMISSIONER OMMEN: All right. Let's move
4 on with the next matter. And so with that I will
5 call the matter of the rate filing by Wellmark,
6 Incorporated. And, again, I will begin with some
7 comments from the information that has been put
8 together by our Consumer Advocacy Officer, Sonya
9 Sellmeyer.

10 MS. SELLMEYER: The Consumer Advocate Bureau
11 was notified in June of 2020 that Wellmark,
12 Incorporated, was seeking a proposed average rate
13 increase of 6.4 percent. The 6.4 percent increase
14 varies between plans with a low of 4.2 percent and a
15 high of 8.7 percent. The 6.4 average increase
16 applies to various blocks of Wellmark and Farm Bureau
17 pre-ACA business exhibiting current loss ratios above
18 80 percent.

19 All of these plans affected are either
20 grandfathered plans or transitional plans for a total
21 of 45,367 Iowa covered lives. The proposed rate
22 increase would become effective June 1 if
23 approved--I'm sorry--January 1, 2021, if approved.

24 As the amount proposed exceeded the current
25 average annual health spending growth rate of 5.7,

1 the Consumer Advocate solicited comments regarding
2 the proposed increase.

3 As a regular part of our rate review
4 process, the proposed rate increase is actuarially
5 reviewed twice, once by the Iowa Insurance Division's
6 actuary staff and once again by independent
7 third-party reviewers. The results of these two
8 reviews have been included in a summary document
9 which can be found on our website.

10 The actuaries found the following:

11 The past loss ratios for this block had
12 averaged nearly 86 percent over the last 7 years. In
13 the absence of a rate increase for calendar year
14 2021, the Iowa Insurance Division projects a loss
15 ratio of over 85 percent;

16 The Iowa Insurance Division trend models
17 justify a trend rate approaching 9 to 10 percent
18 based upon a review of the per member per month
19 claims and adjusted loss ratio;

20 With the high current loss ratios and the
21 consistent growth of claims, the Iowa Insurance
22 Division's projected loss ratio is over 80 percent
23 after the 6.4 rate increase is applied;

24 After adjustments are made to account for
25 taxes, license, and fees in the Federally-prescribed

1 medical loss ratio formula, the projected medical
2 loss ratio is nearly 85 percent after the increase is
3 implemented.

4 In the event that the medical loss ratio
5 dips below 80 percent with the revised rates, the
6 affected Iowans could receive a rebate under Federal
7 law.

8 The new average premium increase will be
9 approximately \$32 a month for an average annual
10 monthly premium--average monthly premium of \$530.
11 This is an average based upon a number of different
12 factors.

13 The Consumer Advocate has received 13
14 comments from 12 policyholders or members of the
15 public. Like most who are subject to proposed rate
16 increases, the comments focused on affordability.

17 Due to the length of time Wellmark has
18 offered individual policies, many of these
19 policyholders have seen steady increases from their
20 Wellmark plans over the years. These affected
21 Wellmark pools have been receiving rate increases
22 every year to every other year which has led to some
23 premiums ballooning from their original rates and an
24 overall rate increase fatigue.

25 One policyholder commented "If you continue

1 to raise the rates as you have, we will not be able
2 to be insured. You raised our rates already the last
3 six months by \$300 per month. Another rate increase,
4 along with 10,000 per family member deductible means
5 we can't afford our insurance.

6 "I'm fine with some rate increases, a little
7 bit like every other year, but my husband and my kids
8 and myself are healthy. We've never even used our
9 insurance. We are paying more than we can afford and
10 that is frustrating when we are trying to do the best
11 we can. But when you charge us this much money, we
12 can't afford it. If you continue to raise the rates,
13 we will be either uninsured or have to look
14 elsewhere. Raising rates during COVID, during a
15 pandemic is ridiculous. That's my opinion. Thank
16 you."

17 Another commented "My question is when is
18 the last time you denied Wellmark a rate increase? I
19 work in a small business in a small town in northwest
20 Iowa and we see rate increases for Wellmark every
21 year and yet small businesses are limited in their
22 ability to absorb all the rate increases that
23 Wellmark is granted. My question is do Wellmark
24 executives drastically reduce the compensation that
25 they get so those individuals get a better idea of

1 what their ratepayers are going through annually? It
2 is an endless cycle because every year Wellmark asks
3 for a rate increase and yet no one's wages even come
4 close to keeping up with the rate increases and yet
5 the Affordable Care Act makes the insurance even more
6 unobtainable. So where does a small business turn to
7 get financial help to help with their insurance
8 without impoverishing themselves?"

9 Many of those who--many of these policies
10 were marketed directly to farmers and small business
11 owners who have often had no choice but to purchase
12 coverage privately as they do not have employers to
13 provide their coverage and their operations may be
14 too small to include employees which would allow for
15 the purchase of a small group plan.

16 This means some small businesses and owners
17 are left with finding another way to pay for the
18 health rate increases, including leaving their small
19 business or dropping coverage.

20 The actuarial summaries in summary show
21 without the rate increase Wellmark is facing a
22 possible medical loss ratio of 85 percent.

23 The comments received and posted by August
24 21, 2020, have been included in the testimony report
25 as required by the Iowa Code and have been given to

1 the Commissioner.

2 However, comments may continue to be
3 received until the Commissioner makes his final
4 decision on the proposed rate increase. Any
5 additional comments received after today's hearing
6 will be published and provided to the Commissioner.

7 That is all I have for Wellmark,
8 Incorporated, and I do not believe we have anyone
9 from Wellmark on the phone. So...

10 COMMISSIONER OMMEN: All right,
11 Ms. Sellmeyer.

12 Are there public comments? Indications that
13 we have any members of the public who wish to offer
14 additional thoughts beyond those that have been
15 provided by Ms. Sellmeyer?

16 MR. RULLESTAD: I do not believe so,
17 Commissioner.

18 COMMISSIONER OMMEN: All right. Likewise,
19 these--the record will be held open on these as well.
20 It's my understanding that the Division's actuary is
21 also on the phone so I, at this time, I don't think
22 that I have any additional questions.

23 Let us move forward to the final ratemaking
24 submission and that is the submission by Wellmark
25 Health Plan of Iowa. Again I will begin with

1 comments from our Consumer Advocacy Officer,
2 Ms. Sellmeyer.

3 MS. SELLMEYER: The Consumer Advocate was
4 notified in June of 2020 that Wellmark Health Plan of
5 Iowa was seeking a proposed average rate increase of
6 8.7 percent. All the plans affected are either
7 grandfathered plans or transitional business plans
8 for a total of approximately 1,000 covered lives.

9 The proposed rate increase would become
10 effective January 1, 2021, if approved. As the
11 amount proposed exceeded the most current average
12 annual health spending rate of 5.7, the Consumer
13 Advocate solicited comments regarding the proposed
14 increase.

15 As a regular part of the review process, the
16 proposed rate increase is actuarially reviewed twice,
17 once by the Insurance Division's actuarial staff and
18 once again by an independent third-party. And,
19 again, that document is available on our website for
20 your review.

21 Past loss ratios for this block have
22 averaged nearly 86 percent over the last 7 years.
23 In the absence of a rate increase for calendar year
24 2021, the Iowa Insurance Division projects a loss
25 ratio of over 95 percent.

1 Iowa Insurance Division trend models justify
2 a trend rate of at least 10 percent based upon a
3 review of the per member per month and adjusted loss
4 ratios.

5 With the high current loss ratios and the
6 consistent growth of claims, the Iowa Insurance
7 Division's projected loss ratio is nearly 90 percent
8 after the 8.7 rate increase is applied.

9 After adjustments are made to account for
10 taxes, license, and fees in the federally-prescribed
11 medical loss ratio formula, the projected medical
12 loss ratio formula is over 93 percent after the
13 increase is implemented.

14 In the event that the medical loss ratio
15 dips below 80 percent with the revised rates,
16 affected Iowans would receive a rebate under
17 Iowa/Federal law.

18 The new average monthly premium will be
19 approximately \$296, an increase of around \$24 a
20 month. This is an average based upon a number of
21 factors.

22 And, again, we solicited comments from the
23 public with regard to the rate increase, from
24 policyholders, and those comments focused again on
25 affordability.

1 Due to the length of time Wellmark has
2 offered these individual policies, many of them have
3 seen steady increases over the years in their
4 premiums, and these affected Wellmark pools have been
5 receiving rate increases every year to every other
6 year which has led to some premiums ballooning from
7 their original rates and an overall rate increase
8 fatigue.

9 One policyholder commented "Due to the
10 pandemic we cannot afford a rate increase."

11 Another commented "8.7 rate increase?
12 Yikes. When is it going to stop? With everything
13 going on with COVID-19 right now, who can afford this
14 insurance? I work for a small business that does not
15 pay any of my health insurance. Just for me I was
16 paying around \$900 a month. They take out around
17 \$200 a week out of my check. Not much left to live
18 on. Ridiculous. I rarely use my insurance. They
19 raise this every year. How about a year when it is
20 not increased? Help, Iowa Insurance Commissioner.
21 We need you to stand up for us and not let Wellmark
22 raise the rates. Wellmark will survive."

23 The actuarial summaries show that without a
24 rate increase for calendar year 2021, the Iowa
25 Insurance Division projects a loss ratio of over 95

1 percent.

2 The comments received and posted by today's
3 date have been included in this testimony report as
4 required by the Iowa Code. However, comments may
5 continue to be received until the Commissioner makes
6 his final decision and any additional comments
7 received prior to the Commissioner's decision but
8 after the presentation of this consumer testimony
9 will be recorded on the public rate hearing website.

10 And I do believe we have at least one person
11 that would like to comment on the rate increase.

12 COMMISSIONER OMMEN: Thank you,
13 Ms. Sellmeyer.

14 Again, this is a--obviously this is a
15 company that I have had before me for a number of
16 years now. I just want to verify, in your report you
17 state that we're down to approximately a thousand
18 individuals that are in this block?

19 MS. SELLMEYER: Uh-huh. Yes, that is
20 correct.

21 COMMISSIONER OMMEN: All right. With that,
22 again it's my understanding Wellmark has submitted
23 all of the information that I need, the actuarial
24 report and submissions. So they're not here as well
25 for this matter?

1 MS. SELLMEYER: That is correct.

2 COMMISSIONER OMMEN: All right. With that,
3 it appears we have an individual who is here to
4 speak, make a public comment.

5 MR. MATT CONNOLLY: Good morning.

6 COMMISSIONER OMMEN: Thank you. Thank you
7 for being here. If you could--you can speak from
8 there. I think we can get it down. But if you could
9 simply state your name so that we have that for the
10 record.

11 MR. MATT CONNOLLY: Matt Connolly,
12 C-o-n-n-o-l-l-y. Today is August 22nd, 2020. Can we
13 agree on that? Okay.

14 St. Louis University Law School; right?

15 COMMISSIONER OMMEN: Yes.

16 MR. MATT CONNOLLY: All right. Appointed by
17 Governor Terry Branstad to this post in 2017;
18 correct?

19 COMMISSIONER OMMEN: I'll receive comments.

20 MR. MATT CONNOLLY: It's a public forum.

21 COMMISSIONER OMMEN: Yeah. That is--it's
22 information--

23 MR. MATT CONNOLLY: Just trying to establish
24 some facts. Last year Wellmark asked for I believe
25 an 11.6 to 12-and-a-half percent increase; correct?

1 COMMISSIONER OMMEN: Again, the record is in
2 the record. But--

3 MR. MATT CONNOLLY: It's a yes or no. Yes.
4 Yes is the answer. Yes.

5 COMMISSIONER OMMEN: Okay.

6 MR. MATT CONNOLLY: Okay. Mine went up 13.3
7 percent. Where did they get that extra .8? You
8 approved it. It had to come from somewhere.

9 The Iowa Insurance Division used to publish
10 Wellmark's quarterly balance sheet online. They've
11 not done that since the second quarter of 2018. Why
12 is that?

13 (No response.)

14 MR. MATT CONNOLLY: Exactly.

15 Okay. A pandemic, yes. Wellmark is not
16 paying out what they paid out in previous years
17 because the hospitals aren't having patients, they
18 don't have the patient load. I know. My wife is one
19 of four specialty nurses for UnityPoint. They got
20 their hours cut back 30 percent those four nurses
21 did, seeing one patient a day. There is no patients
22 in the hospital to be charging Wellmark. There's no
23 outlay for Wellmark.

24 Earlier this month the Journal of American
25 Medical--JAMA, they published the report that cancer

1 screenings are down 46 percent this year. Again,
2 Wellmark not being charged. This is all a load. 8.7
3 percent? Come on.

4 COMMISSIONER OMMEN: Do you have any
5 additional comments?

6 MR. MATT CONNOLLY: Yeah. My three-year-old
7 asked me this morning why I had to come to this.
8 "Well, it's a Saturday morning, sweetheart. They do
9 it so people like me don't show up."

10 I appreciate your time. We'll see you next
11 year.

12 MS. SELLMEYER: Do we have an individual
13 online or on the phone that would like to comment?

14 MR. RULLESTAD: I don't see any other chat
15 remarks.

16 MS. SELLMEYER: Okay.

17 COMMISSIONER OMMEN: All right. The
18 gentleman who offered the comment has left the room,
19 but for the record I'll advise people that may be
20 listening in how it is that COVID may impact rates.

21 By law we do have the opportunity through
22 the course of a year to look at what the medical loss
23 ratio ends up being. Certainly in the rating of
24 insurance it is a looking-forward process based upon
25 years of experience. You do some of that backward

1 looking in order to establish rates but there are
2 also triggers in the law that allow us to look back
3 based upon a current year experience and so certainly
4 I understand his frustration. There are many
5 Saturday mornings I'm equally frustrated.

6 But nevertheless, there are--we do have
7 provisions within the law in order to evaluate COVID
8 and that, I expect, will be happening this year as
9 well.

10 Again, Ms. Sellmeyer, any further comments
11 from members of the public?

12 MS. SELLMEYER: No, I'm not seeing anything
13 else online or on the phone.

14 COMMISSIONER OMMEN: So the record will be
15 held open, and as mentioned earlier, it will be held
16 open until such time as I render a determination.

17 I do appreciate all those that have
18 submitted comments to the office, especially to
19 Ms. Sellmeyer.

20 Again in closing comment, there is nothing
21 more aggravating to a state insurance commissioner
22 than a circumstance where Federal law restricts my
23 ability to work with the--through ratemaking to work
24 through the process of managing rates.

25 Unfortunately these continue to be closed

1 blocks, they continue to be closed because of Federal
2 law and that does create a lot of pressure in terms
3 of trying to manage the solvency of those blocks.

4 So, again, thank you very much for those of
5 you who have joined us online. My decision will be
6 forthcoming. Thank you.

7 We are off the record.

8 MS. SELLMEYER: Thank you, Commissioner.

9 (Proceedings concluded at 9:33 a.m.)
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C E R T I F I C A T E

I, the undersigned, a Certified Shorthand Reporter of the State of Iowa, do hereby certify that I acted as the official court reporter at the hearing in the above-entitled matter at the time and place indicated;

That I took in shorthand all of the proceedings had at the said time and place and that said shorthand notes were reduced to typewriting under my direction and supervision, and that the foregoing typewritten pages are a full and complete transcript of the shorthand notes so taken.

Dated at Des Moines, Iowa, this 27th day of August, 2020.


CERTIFIED SHORTHAND REPORTER